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AMENDED IN ASSEMBLY SEPTEMBER 1, 2015  
AMENDED IN ASSEMBLY JULY 16, 2015  
AMENDED IN SENATE JUNE 2, 2015  
AMENDED IN SENATE APRIL 6, 2015

**SENATE BILL**

**No. 443**

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**Introduced by Senator Mitchell**  
**(Principal coauthor: Senator Leno)**  
(Principal coauthors: Assembly Members Cristina Garcia and Hadley)  
**(Coauthors: Senators Anderson and Jackson)**  
(Coauthor: Assembly Member Jones-Sawyer)

February 25, 2015

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An act to amend Sections 11470.1, 11488.4, 11488.5, and 11495 of, and to add Section 11471.2 to, the Health and Safety Code, relating to forfeiture.

LEGISLATIVE COUNSEL'S DIGEST

SB 443, as amended, Mitchell. Forfeiture: *assets*: controlled substances.

Existing law subjects certain property to forfeiture, such as controlled substances and equipment used to process controlled substances. Existing law allows peace officers, under specified circumstances, to seize property that is subject to forfeiture. Existing law authorizes specified public agencies to bring an action to recover expenses of seizing, eradicating, destroying, or taking remedial action with respect

to any controlled substance. In a forfeiture action with regards to cash or negotiable instruments of a value of not less than \$25,000, existing law requires the state or local agency to prove by clear and convincing evidence that the property is subject to forfeiture. Existing law requires seized property or the proceeds from the sale of that property to be distributed among specified entities. Existing law requires the Attorney General to publish ~~a yearly~~ *an annual* report on forfeiture within the state.

This bill would require a prosecuting agency to seek or obtain a criminal conviction for the unlawful manufacture or cultivation of any controlled substance or its precursors prior to an entry of judgment for recovery of expenses of seizing, eradicating, destroying, or taking remedial action with respect to any controlled substance. The bill would prohibit maintaining an action for recovery of expenses against a person who has been acquitted of the underlying criminal charges.

The bill would prohibit state or local law enforcement agencies from transferring seized property to a federal agency seeking adoption by the federal agency of the seized property. The bill would further prohibit state or local agencies from receiving an equitable share from a federal agency of specified seized property if a conviction for the underlying offenses is not ~~obtained~~.

~~The~~ *obtained, except as specified.* The bill would require notices of a forfeiture action to contain additional details, such as the rights of an interested party at a forfeiture hearing. ~~The~~

*The bill would change the burden of proof that a state or local law enforcement agency must meet to succeed in a forfeiture action with regards to cash or negotiable instruments of a value not less than \$25,000, from a clear and convincing standard to beyond a reasonable doubt. doubt and would require a criminal conviction for a related offense. The bill would require the Legislative Analyst's Office, on or before December 31, 2019, to submit a report to the Legislature on the economic impact of this change, and the above-described prohibition on receiving an equitable share from a federal agency, on state and local law enforcement budgets. The bill would also make other specified related changes to court forfeiture proceedings. The bill would also require the Attorney General to include additional information on forfeiture actions in the yearly annual report.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 11470.1 of the Health and Safety Code  
2 is amended to read:

3     11470.1. (a) The expenses of seizing, eradicating, destroying,  
4 or taking remedial action with respect to, any controlled substance  
5 or its precursors shall be recoverable from:

6     (1) Any person who manufactures or cultivates a controlled  
7 substance or its precursors in violation of this division.

8     (2) Any person who aids and abets or who knowingly profits  
9 in any manner from the manufacture or cultivation of a controlled  
10 substance or its precursors on property owned, leased, or possessed  
11 by the defendant, in violation of this division.

12     (b) The expenses of taking remedial action with respect to any  
13 controlled substance or its precursors shall also be recoverable  
14 from any person liable for the costs of that remedial action under  
15 Chapter 6.8 (commencing with Section 25300) of Division 20 of  
16 the Health and Safety Code.

17     (c) It shall be necessary to seek or obtain a criminal conviction  
18 for the unlawful manufacture or cultivation of any controlled  
19 substance or its precursors prior to the entry of judgment for the  
20 recovery of expenses. If criminal charges are pending against the  
21 defendant for the unlawful manufacture or cultivation of any  
22 controlled substance or its precursors, an action brought pursuant  
23 to this section shall, upon a defendant's request, be continued while  
24 the criminal charges are pending.

25     (d) The action may be brought by the district attorney, county  
26 counsel, city attorney, the State Department of Health Care  
27 Services, or Attorney General. All expenses recovered pursuant  
28 to this section shall be remitted to the law enforcement agency  
29 which incurred them.

30     (e) (1) The burden of proof as to liability shall be on the plaintiff  
31 and shall be by a preponderance of the evidence in an action  
32 alleging that the defendant is liable for expenses pursuant to  
33 paragraph (1) of subdivision (a). The burden of proof as to liability  
34 shall be on the plaintiff and shall be by clear and convincing  
35 evidence in an action alleging that the defendant is liable for  
36 expenses pursuant to paragraph (2) of subdivision (a). The burden  
37 of proof as to the amount of expenses recoverable shall be on the

1 plaintiff and shall be by a preponderance of the evidence in any  
2 action brought pursuant to subdivision (a).

3 (2) Notwithstanding paragraph (1), for any person convicted of  
4 a criminal charge of the manufacture or cultivation of a controlled  
5 substance or its precursors there shall be a presumption affecting  
6 the burden of proof that the person is liable.

7 (f) Only expenses which meet the following requirements shall  
8 be recoverable under this section:

9 (1) The expenses were incurred in seizing, eradicating, or  
10 destroying the controlled substance or its precursors or in taking  
11 remedial action with respect to a hazardous substance. These  
12 expenses may not include any costs incurred in use of the herbicide  
13 paraquat.

14 (2) The expenses were incurred as a proximate result of the  
15 defendant's manufacture or cultivation of a controlled substance  
16 in violation of this division.

17 (3) The expenses were reasonably incurred.

18 (g) For purposes of this section, "remedial action" shall have  
19 the meaning set forth in Section 25322.

20 (h) For the purpose of discharge in bankruptcy, a judgment for  
21 recovery of expenses under this section shall be deemed to be a  
22 debt for willful and malicious injury by the defendant to another  
23 entity or to the property of another entity.

24 (i) Notwithstanding Section 526 of the Code of Civil Procedure,  
25 the plaintiff may be granted a temporary restraining order or a  
26 preliminary injunction, pending or during trial, to restrain the  
27 defendant from transferring, encumbering, hypothecating, or  
28 otherwise disposing of any assets specified by the court, if it  
29 appears by the complaint that the plaintiff is entitled to the relief  
30 demanded and it appears that the defendant may dispose of those  
31 assets to thwart enforcement of the judgment.

32 (j) The Legislature finds and declares that civil penalties for the  
33 recovery of expenses incurred in enforcing the provisions of this  
34 division shall not supplant criminal prosecution for violation of  
35 those provisions, but shall be a supplemental remedy to criminal  
36 enforcement.

37 (k) Any testimony, admission, or any other statement made by  
38 the defendant in any proceeding brought pursuant to this section,  
39 or any evidence derived from the testimony, admission, or other

statement, shall not be admitted or otherwise used in any criminal proceeding arising out of the same conduct.

(l) No action shall be brought or maintained pursuant to this section against a person who has been acquitted of criminal charges for conduct that is the basis for an action under this section.

SEC. 2. Section 11471.2 is added to the Health and Safety Code, to read:

11471.2. (a) State or local law enforcement authorities shall not refer or otherwise transfer property seized under state law authorizing the seizure of property to a federal agency seeking the adoption of the seized property by the federal agency for proceeding with federal ~~forfeiture~~. *forfeiture under the federal Controlled Substances Act*. Nothing in this section shall be construed to prohibit the federal government, or any of its agencies, from seizing property, seeking forfeiture under federal law, or sharing federally forfeited property with state or local law enforcement agencies when those state or local agencies work with federal agencies in joint investigations arising out of federal law or federal joint task forces comprised of federal and state or local agencies. *Nothing in this section shall be construed to prohibit state or local law enforcement agencies from participating in a joint law enforcement operation with federal agencies.*

(b) ~~Except as provided in subdivision (c), a state or local law enforcement agency participating in a joint investigation with a federal agency shall not receive an equitable share from the federal agency of all or a portion of the forfeited property or proceeds from the sale of property forfeited pursuant to federal law~~ *the federal Controlled Substances Act unless a defendant is convicted in an underlying or related criminal action of an offense for which property is subject to forfeiture as specified in Section 11470 or Section 11488, or an offense under federal law the federal Controlled Substances Act that includes all of the elements of an offense for which property is subject to forfeiture as specified in Sections 11470 and 11488.*

(c) *If the defendant has been arrested and charged in an underlying or related criminal action or proceeding for an offense described in subdivision (b) and willfully fails to appear as required, intentionally flees to evade prosecution, or is deceased, there shall be no requirement of a criminal conviction as a*

1 *prerequisite to receipt by state or local law enforcement agencies*  
2 *of an equitable share from federal authorities.*

3 SEC. 3. Section 11488.4 of the Health and Safety Code is  
4 amended to read:

5 11488.4. (a) (1) Except as provided in subdivision (j), if the  
6 Department of Justice or the local governmental entity determines  
7 that the factual circumstances do warrant that the moneys,  
8 negotiable instruments, securities, or other things of value seized  
9 or subject to forfeiture come within the provisions of subdivisions  
10 (a) to (g), inclusive, of Section 11470, and are not automatically  
11 made forfeitable or subject to court order of forfeiture or  
12 destruction by another provision of this chapter, the Attorney  
13 General or district attorney shall file a petition of forfeiture with  
14 the superior court of the county in which the defendant has been  
15 charged with the underlying criminal offense or in which the  
16 property subject to forfeiture has been seized or, if no seizure has  
17 occurred, in the county in which the property subject to forfeiture  
18 is located. If the petition alleges that real property is forfeitable,  
19 the prosecuting attorney shall cause a lis pendens to be recorded  
20 in the office of the county recorder of each county in which the  
21 real property is located.

22 (2) A petition of forfeiture under this subdivision shall be filed  
23 as soon as practicable, but in any case within one year of the seizure  
24 of the property which is subject to forfeiture, or as soon as  
25 practicable, but in any case within one year of the filing by the  
26 Attorney General or district attorney of a lis pendens or other  
27 process against the property, whichever is earlier.

28 (b) Physical seizure of assets shall not be necessary in order to  
29 have that particular asset alleged to be forfeitable in a petition  
30 under this section. The prosecuting attorney may seek protective  
31 orders for any asset pursuant to Section 11492.

32 (c) The Attorney General or district attorney shall make service  
33 of process regarding this petition upon every individual designated  
34 in a receipt issued for the property seized. In addition, the Attorney  
35 General or district attorney shall cause a notice of the seizure, if  
36 any, and of the intended forfeiture proceeding, as well as a notice  
37 stating that any interested party may file a verified claim with the  
38 superior court of the county in which the property was seized or  
39 if the property was not seized, a notice of the initiation of forfeiture  
40 proceedings with respect to any interest in the property seized or

1 subject to forfeiture, to be served by personal delivery or by  
2 registered mail upon any person who has an interest in the seized  
3 property or property subject to forfeiture other than persons  
4 designated in a receipt issued for the property seized. Whenever  
5 a notice is delivered pursuant to this section, it shall be  
6 accompanied by a claim form as described in Section 11488.5 and  
7 directions for the filing and service of a claim.

8 (d) An investigation shall be made by the law enforcement  
9 agency as to any claimant to a vehicle, boat, or airplane whose  
10 right, title, interest, or lien is of record in the Department of Motor  
11 Vehicles or appropriate federal agency. If the law enforcement  
12 agency finds that any person, other than the registered owner, is  
13 the legal owner thereof, and that ownership did not arise subsequent  
14 to the date and time of arrest or notification of the forfeiture  
15 proceedings or seizure of the vehicle, boat, or airplane, it shall  
16 forthwith send a notice to the legal owner at his or her address  
17 appearing on the records of the Department of Motor Vehicles or  
18 appropriate federal agency.

19 (e) When a forfeiture action is filed, the notices shall be  
20 published once a week for three successive weeks in a newspaper  
21 of general circulation in the county where the seizure was made  
22 or where the property subject to forfeiture is located.

23 (f) All notices shall set forth the time within which a claim of  
24 interest in the property seized or subject to forfeiture is required  
25 to be filed pursuant to Section 11488.5. The notices shall explain,  
26 in plain language, what an interested party must do and the time  
27 in which the person must act to contest the forfeiture in a hearing.  
28 The notices shall state what rights the interested party has at a  
29 hearing. The notices shall also state the legal consequences for  
30 failing to respond to the forfeiture notice.

31 (g) Nothing contained in this chapter shall preclude a person,  
32 other than a defendant, claiming an interest in property actually  
33 seized from moving for a return of property if that person can show  
34 standing by proving an interest in the property not assigned  
35 subsequent to the seizure or filing of the forfeiture petition.

36 (h) (1) If there is an underlying or related criminal action, a  
37 defendant may move for the return of the property on the grounds  
38 that there is not probable cause to believe that the property is  
39 forfeitable pursuant to subdivisions (a) to (g), inclusive, of Section  
40 11470 and is not automatically made forfeitable or subject to court

1 order of forfeiture or destruction by another provision of this  
2 chapter. The motion may be made prior to, during, or subsequent  
3 to the preliminary examination. If made subsequent to the  
4 preliminary examination, the Attorney General or district attorney  
5 may submit the record of the preliminary hearing as evidence that  
6 probable cause exists to believe that the underlying or related  
7 criminal violations have occurred.

8 (2) Within 15 days after a defendant's motion is granted, the  
9 people may file a petition for a writ of mandate or prohibition  
10 seeking appellate review of the ruling.

11 (i) (1) With respect to property described in subdivisions (e)  
12 and (g) of Section 11470 for which forfeiture is sought and as to  
13 which forfeiture is contested, the state or local governmental entity  
14 shall have the burden of proving beyond a reasonable doubt that  
15 the property for which forfeiture is sought was used, or intended  
16 to be used, to facilitate a violation of one of the offenses  
17 enumerated in subdivision (f) or (g) of Section 11470.

18 (2) In the case of property described in subdivision (f) of Section  
19 11470, for which forfeiture is sought and as to which forfeiture is  
20 contested, the state or local governmental entity shall have the  
21 burden of proving beyond a reasonable doubt that the property for  
22 which forfeiture is sought meets the criteria for forfeiture described  
23 in subdivision (f) of Section 11470.

24 (3) In the case of property described in paragraphs (1) and (2),  
25 where forfeiture is contested, a judgment of forfeiture requires as  
26 a condition precedent thereto, that a defendant be convicted in an  
27 underlying or related criminal action of an offense specified in  
28 subdivision (f) or (g) of Section 11470 which offense occurred  
29 within five years of the seizure of the property subject to forfeiture  
30 or within five years of the notification of intention to seek  
31 forfeiture. If the defendant is found guilty of the underlying or  
32 related criminal offense, the issue of forfeiture shall be tried before  
33 the same jury, if the trial was by jury, or tried before the same  
34 court, if trial was by court, unless waived by all parties. The issue  
35 of forfeiture shall be bifurcated from the criminal trial and tried  
36 after conviction unless waived by all the parties.

37 (4) If there is an underlying or related criminal action, and a  
38 criminal conviction is required before a judgment of forfeiture  
39 may be entered, the issue of forfeiture shall be tried in conjunction  
40 therewith. In such a case, the issue of forfeiture shall be bifurcated



1 from the criminal trial and tried after conviction unless waived by  
2 the parties. Trial shall be by jury unless waived by all parties. If  
3 there is no underlying or related criminal action, the presiding  
4 judge of the superior court shall assign the action brought pursuant  
5 to this chapter for trial.

6 (j) The Attorney General or the district attorney of the county  
7 in which property is subject to forfeiture under Section 11470 may,  
8 pursuant to this subdivision, order forfeiture of personal property  
9 not exceeding twenty-five thousand dollars (\$25,000) in value.  
10 The Attorney General or district attorney shall provide notice of  
11 proceedings under this subdivision pursuant to subdivisions (c),  
12 (d), (e), and (f), including:

13 (1) A description of the property.

14 (2) The appraised value of the property.

15 (3) The date and place of seizure or location of any property  
16 not seized but subject to forfeiture.

17 (4) The violation of law alleged with respect to forfeiture of the  
18 property.

19 (5) (A) The instructions for filing and serving a claim with the  
20 Attorney General or the district attorney pursuant to Section  
21 11488.5 and time limits for filing a claim and claim form.

22 (B) If no claims are timely filed, the Attorney General or the  
23 district attorney shall prepare a written declaration of forfeiture of  
24 the subject property to the state and dispose of the property in  
25 accordance with Section 11489. A written declaration of forfeiture  
26 signed by the Attorney General or district attorney under this  
27 subdivision shall be deemed to provide good and sufficient title  
28 to the forfeited property. The prosecuting agency ordering forfeiture  
29 pursuant to this subdivision shall provide a copy of the declaration  
30 of forfeiture to any person listed in the receipt given at the time of  
31 seizure and to any person personally served notice of the forfeiture  
32 proceedings.

33 (C) If a claim is timely filed, then the Attorney General or  
34 district attorney shall file a petition of forfeiture pursuant to this  
35 section within 30 days of the receipt of the claim. The petition of  
36 forfeiture shall then proceed pursuant to other provisions of this  
37 chapter, except that no additional notice need be given and no  
38 additional claim need be filed.

39 (k) If in any underlying or related criminal action or proceeding,  
40 in which a petition for forfeiture has been filed pursuant to this

1 section, and a criminal conviction is required before a judgment  
2 of forfeiture may be entered, the defendant willfully fails to appear  
3 as required, there shall be no requirement of a criminal conviction  
4 as a prerequisite to the forfeiture. In these cases, forfeiture shall  
5 be ordered as against the defendant and judgment entered upon  
6 default, upon application of the state or local governmental entity.  
7 In its application for default, the state or local governmental entity  
8 shall be required to give notice to the defendant's attorney of  
9 record, if any, in the underlying or related criminal action, and to  
10 make a showing of due diligence to locate the defendant. In moving  
11 for a default judgment pursuant to this subdivision, the state or  
12 local governmental entity shall be required to establish a prima  
13 facie case in support of its petition for forfeiture.

14 SEC. 4. Section 11488.5 of the Health and Safety Code is  
15 amended to read:

16 11488.5. (a) (1) Any person claiming an interest in the  
17 property seized pursuant to Section 11488 may, unless for good  
18 cause shown the court extends the time for filing, at any time within  
19 30 days from the date of the last publication of the notice of seizure,  
20 if that person was not personally served or served by mail, or within  
21 30 days after receipt of actual notice, file with the superior court  
22 of the county in which the defendant has been charged with the  
23 underlying or related criminal offense or in which the property  
24 was seized or, if there was no seizure, in which the property is  
25 located, a claim, verified in accordance with Section 446 of the  
26 Code of Civil Procedure, stating his or her interest in the property.  
27 An endorsed copy of the claim shall be served by the claimant on  
28 the Attorney General or district attorney, as appropriate, within  
29 30 days of the filing of the claim. The Judicial Council shall  
30 develop and approve official forms for the verified claim that is  
31 to be filed pursuant to this section. The official forms shall be  
32 drafted in nontechnical language, in English and in Spanish, and  
33 shall be made available through the office of the clerk of the  
34 appropriate court.

35 (2) Any person who claims that the property was assigned to  
36 him or to her prior to the seizure or notification of pending  
37 forfeiture of the property under this chapter, whichever occurs last,  
38 shall file a claim with the court and prosecuting agency pursuant  
39 to Section 11488.5 declaring an interest in that property and that  
40 interest shall be adjudicated at the forfeiture hearing. The property

1 shall remain under control of the law enforcement or prosecutorial  
2 agency until the adjudication of the forfeiture hearing. Seized  
3 property shall be protected and its value shall be preserved pending  
4 the outcome of the forfeiture proceedings.

5 (3) The clerk of the court shall not charge or collect a fee for  
6 the filing of a claim in any case in which the value of the  
7 respondent property as specified in the notice is five thousand  
8 dollars (\$5,000) or less. If the value of the property, as specified  
9 in the notice, is more than five thousand dollars (\$5,000), the clerk  
10 of the court shall charge the filing fee specified in Section 70611  
11 of the Government Code.

12 (4) The claim of a law enforcement agency to property seized  
13 pursuant to Section 11488 or subject to forfeiture shall have priority  
14 over a claim to the seized or forfeitable property made by the  
15 Franchise Tax Board in a notice to withhold issued pursuant to  
16 Section 18817 or 26132 of the Revenue and Taxation Code.

17 (b) (1) If at the end of the time set forth in subdivision (a) there  
18 is no claim on file, the court, upon motion, shall declare the  
19 property seized or subject to forfeiture pursuant to subdivisions  
20 (a) to (g), inclusive, of Section 11470 forfeited to the state. In  
21 moving for a default judgment pursuant to this subdivision, the  
22 state or local governmental entity shall be required to establish a  
23 prima facie case in support of its petition for forfeiture.

24 (2) The court shall order the money forfeited or the proceeds  
25 of the sale of property to be distributed as set forth in Section  
26 11489.

27 (c) (1) If a verified claim is filed, the forfeiture proceeding shall  
28 be set for hearing on a day not less than 30 days therefrom, and  
29 the proceeding shall have priority over other civil cases. Notice of  
30 the hearing shall be given in the same manner as provided in  
31 Section 11488.4. Such a verified claim or a claim filed pursuant  
32 to subdivision (j) of Section 11488.4 shall not be admissible in the  
33 proceedings regarding the underlying or related criminal offense  
34 set forth in subdivision (a) of Section 11488.

35 (2) The hearing shall be by jury, unless waived by consent of  
36 all parties.

37 (3) The provisions of the Code of Civil Procedure shall apply  
38 to proceedings under this chapter unless otherwise inconsistent  
39 with the provisions or procedures set forth in this chapter. However,  
40 in proceedings under this chapter, there shall be no joinder of

1 actions, coordination of actions, except for forfeiture proceedings,  
2 or cross-complaints, and the issues shall be limited strictly to the  
3 questions related to this chapter.

4 (d) (1) At the hearing, the state or local governmental entity  
5 shall have the burden of establishing, pursuant to subdivision (i)  
6 of Section 11488.4, that the owner of any interest in the seized  
7 property consented to the use of the property with knowledge that  
8 it would be or was used for a purpose for which forfeiture is  
9 permitted, in accordance with the burden of proof set forth in  
10 subdivision (i) of Section 11488.4.

11 (2) No interest in the seized property shall be affected by a  
12 forfeiture decree under this section unless the state or local  
13 governmental entity has proven that the owner of that interest  
14 consented to the use of the property with knowledge that it would  
15 be or was used for the purpose charged. Forfeiture shall be ordered  
16 when, at the hearing, the state or local governmental entity has  
17 shown that the assets in question are subject to forfeiture pursuant  
18 to Section 11470, in accordance with the burden of proof set forth  
19 in subdivision (i) of Section 11488.4.

20 (e) The forfeiture hearing shall be continued upon motion of  
21 the prosecution or the defendant until after a verdict of guilty on  
22 any criminal charges specified in this chapter and pending against  
23 the defendant have been decided. The forfeiture hearing shall be  
24 conducted in accordance with Sections 190 to 222.5, inclusive,  
25 Sections 224 to 234, inclusive, Section 237, and Sections 607 to  
26 630, inclusive, of the Code of Civil Procedure if a trial by jury,  
27 and by Sections 631 to 636, inclusive, of the Code of Civil  
28 Procedure if by the court. Unless the court or jury finds that the  
29 seized property was used for a purpose for which forfeiture is  
30 permitted, the court shall order the seized property released to the  
31 person it determines is entitled thereto.

32 If the court or jury finds that the seized property was used for a  
33 purpose for which forfeiture is permitted, but does not find that a  
34 person claiming an interest therein, to which the court has  
35 determined he or she is entitled, had actual knowledge that the  
36 seized property would be or was used for a purpose for which  
37 forfeiture is permitted and consented to that use, the court shall  
38 order the seized property released to the claimant.

39 (f) All seized property which was the subject of a contested  
40 forfeiture hearing and which was not released by the court to a

1 claimant shall be declared by the court to be forfeited to the state,  
2 provided the burden of proof required pursuant to subdivision (i)  
3 of Section 11488.4 has been met. The court shall order the forfeited  
4 property to be distributed as set forth in Section 11489.

5 (g) All seized property which was the subject of the forfeiture  
6 hearing and which was not forfeited shall remain subject to any  
7 order to withhold issued with respect to the property by the  
8 Franchise Tax Board.

9 SEC. 5. Section 11495 of the Health and Safety Code is  
10 amended to read:

11 11495. (a) The funds received by the law enforcement agencies  
12 under Section 11489 shall be deposited into an account maintained  
13 by the Controller, county auditor, or city treasurer. These funds  
14 shall be distributed to the law enforcement agencies at their request.  
15 The Controller, auditor, or treasurer shall maintain a record of  
16 these disbursements which records shall be open to public  
17 inspection, subject to the privileges contained in Sections 1040,  
18 1041, and 1042 of the Evidence Code.

19 (b) Upon request of the governing body of the jurisdiction in  
20 which the distributions are made, the Controller, auditor, or  
21 treasurer shall conduct an audit of these funds and their use. In the  
22 case of the state, the governing body shall be the Legislature.

23 (c) Each year, the Attorney General shall publish a report which  
24 sets forth the following information for the state, each county, each  
25 city, and each city and county:

26 (1) The number of forfeiture actions initiated and administered  
27 by state or local agencies under California law, the number of cases  
28 adopted by the federal government, and the number of cases  
29 initiated by a joint federal-state action that were prosecuted under  
30 federal law.

31 (2) The number of cases and the administrative number or court  
32 docket number of each case for which forfeiture was ordered or  
33 declared.

34 (3) The number of suspects charged with a controlled substance  
35 violation.

36 (4) The number of alleged criminal offenses that were under  
37 federal or state law.

38 (5) The disposition of cases, including no charge, dropped  
39 charges, acquittal, plea agreement, jury conviction, or other.

40 (6) The value of the assets forfeited.

1 (7) The recipients of the forfeited assets, the amounts received,  
2 and the date of the disbursement.

3 (d) The Attorney General shall develop administrative guidelines  
4 for the collection and publication of the information required in  
5 subdivision (c).

6 (e) The Attorney General's report shall cover the calendar year  
7 and shall be made no later than March 1 of each year beginning  
8 with the year after the enactment of this law.

9 *SEC. 6. (a) The Legislative Analyst's Office (LAO) shall*  
10 *provide a report to the Legislature containing data about the*  
11 *economic impact on state and local law enforcement budgets of*  
12 *subdivision (b) of Section 11471.2 of the Health and Safety Code*  
13 *and the changes to the burden of proof and conviction requirement*  
14 *in forfeiture proceedings in Section 3 of this act. The LAO shall*  
15 *report the findings on or before December 31, 2019.*

16 *(b) A report to be submitted pursuant to this section shall be*  
17 *submitted in compliance with Section 9795 of the Government*  
18 *Code.*

19 *(c) Pursuant to Section 10231.5 of the Government Code, this*  
20 *section is repealed on January 1, 2021.*